HOUSING MARKET INFORMATION

HOUSING MARKET OUTLOOK
Canada Edition

CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Third Quarter 2014

Housing starts point to a soft landing in 2014 and 2015

Overview[1]

Housing Starts:	
2014:	184,800
2015:	183,100
Resales:	
2014:	463,600
2015:	474,300

Housing starts:

Total housing starts are expected to edge down to 184,800 units in 2014 and then remain stable at 183,100 units in 2015 as modest increases in employment and household disposable income provide support to housing demand. However, builders are expected to continue to adjust activity, particularly with respect to multi-unit construction, in order to manage inventory levels in the near term.

Resales:

Existing home sales are expected to rise along with economic conditions over the forecast horizon. On an annual basis, sales through the Multiple Listing Service® (MLS®)[2] are expected to rise from 457,761 units in 2013 to 463,600 units in 2014 and 474,300 units in 2015.

Resale prices:

The average MLS® price is expected to reach $399,800 in 2014 and $406,800 in 2015, representing increases of 4.5 per cent and 1.8 per cent, respectively.

Provincial spotlight:

In 2014, Alberta is forecast to see the strongest growth in housing starts, due to improving economic and employment prospects relative to the rest of the country. Quebec and British Columbia are also forecast to see housing starts increase, albeit modestly. In 2015, housing starts are anticipated to increase slightly in Quebec, British Columbia and Manitoba, supported by improving economic conditions.

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[1] The outlook is subject to uncertainty. Although point forecasts are presented in this publication, CMHC also presents forecast ranges and risks where appropriate. The forecasts included in this document reflect information available as of July 16, 2014.

[2] Multiple Listing Service® (MLS®) is a registered trademark owned by the Canadian Real Estate Association.

Detailed National Housing Outlook

Starts to edge down over the forecast horizon

Economic conditions in Canada are projected to gradually improve in 2014 and 2015 and lead to modest increases in employment, disposable income and housing demand. However, there are a number of offsetting factors contributing to the forecast of a moderation in housing starts.

First, total completed and unabsorbed units have continued on an upward trend since the early 2000s, driven by growth in the multi-unit segment. In the first quarter of 2014, the inventory[3] of completed and unabsorbed dwellings per 10,000 population remained at 4.8 units, slightly above the historical average of 4.3 units. As a result, builders are expected to slow the pace of starts activity in order to manage their inventory levels in the short-term.

Second, there are number of factors expected to reduce the pool of first-time home buyers, including the demographic trends of slowing population growth of the 25-34 cohort, particularly near the end of the forecast horizon.

Third, the growth of house prices, particularly in major CMAs, is expected to partly offset improvements in affordability due to growth in employment and disposable income.

Fourth, while mortgage rates are currently at historic lows, the consensus forecast is that rates are forecast to increase in the latter half of 2015, which will have a dampening impact on housing demand.

Taking all these factors into consideration, housing starts are expected to moderate in 2014 to 184,800 units and remain at a comparable level of 183,100 units in 2015. To reflect potential risks to the outlook, CMHC produces range forecasts. The housing starts forecast range for 2014 is 179,600 to 189,900 units, while 2015's is 163,000 to 203,200 units.

Single-detached starts to moderate in 2014 and 2015

In the second quarter of 2014, actual single-detached starts declined 4.4 per cent, compared to the same period last year. Overall, total single-detached starts are projected to moderate due to a number of factors.

First, the positive impacts of improving economic conditions on housing demand are being tempered by price growth in many markets and expectations of future rises in mortgage rates. As a result, it is expected that demand for new homes will shift towards lower-priced alternatives available on the market. These include new multi-unit dwellings as well as existing units in the resale market.

Second, the supply of single-detached housing units appears balanced, with the inventory of newly completed and unabsorbed units per 10,000 population stable and in line with historical trends.

Overall, single-detached starts are forecast to be 74,000 units in 2014, a decline of 3.8 per cent relative to 2013. In 2015, single-detached starts are expected to remain relatively unchanged at 74,400 units. Reflecting the risks to the outlook, single-detached starts are expected to range between 71,700 and 76,200 units for 2014 and between 65,600 and 83,200 units for 2015.

Multi-unit starts are expected to remain stable in 2014 and 2015

In the second quarter of 2014, actual multi-unit[4] starts totalled 31,787 units, a 10.5 per cent increase compared to the second quarter of 2013. Overall, total multi-unit starts in 2014 are expected to gradually soften due to the factors listed below.

First, some local markets are experiencing modest supply and demand imbalances, with the number of completed and unabsorbed units currently at 3.2 units per 10,000 population, slightly above the historical average of 2.7 units. As a result, builders are expected to moderately reduce the pace of multi-unit activity, at least in the short-term, in order to manage their inventory levels.

[3] The level of inventories discussed here is for urban centres with a population of 50,000 and over. The inventory of housing units is defined as a snapshot of the level of completed and unabsorbed units at a specific time. A dwelling is defined as being "absorbed" when a non-binding, non-conditional agreement is made to buy the dwelling. The definition of this concept was recently updated. Prior to 2013, a unit was defined as "absorbed" when an agreement was made to buy or rent the dwelling. However, data on absorption for multiple dwelling units intended for rent was not always available. Supply conditions in the owner and rental markets are now collected under separate, dedicated surveys (see CMHC's Rental Market Survey for rented accommodation and CMHC's Starts and Completions Survey for owned accommodation). In addition, the series' name was changed from "newly completed and unoccupied" to "newly completed and unabsorbed" as a result of the move toward counts based on the existence of a binding contract.

[4] Multi-units housing starts include semi-detached, row and apartment units.

Second, demographic[5] trends are expected to put downward pressure on multi-unit housing demand. Specifically, Statistics Canada projections indicate that the growth rate of the Canadian population aged 25-34 is expected to slow near the end of the forecast horizon and continue on a longer-term downward trend. CMHC's analysis has shown that the population aged 25-34 represents a large share of the first-time home buyers segment that traditionally enters homeownership through the lower priced multi-unit housing segment.

On the other hand, downward pressure on multi-unit starts activity from supply imbalances and demographic pressures is expected to be somewhat offset from continued house price increases, thus shifting demand towards lower-priced alternatives such as multi-unit dwellings.

Overall, multi-unit starts in 2014 are expected to be 110,800 units, comparable to levels seen in 2013. In 2015, multi-unit starts are expected to decline slightly by 1.9 per cent relative to 2014 to 108,700 units. Multi-unit housing starts are expected to range between 107,900 and 113,700 units for 2014 and between 97,400 and 120,000 units for 2015, reflecting potential risks to the outlook.

MLS® sales expected to rise moderately along with economic conditions

MLS® sales are expected to increase moderately in 2014, supported by gradually improving economic conditions.

In 2015, economic fundamentals will gain further momentum and provide stronger support to resale housing demand. The anticipation of a rise in mortgage rates by the latter part of 2015 will also contribute to a shift in sales from higher-priced new single-detached homes toward relatively lower-priced resale housing options. Nonetheless, this growth in demand for existing units is expected to be somewhat contained by a slowing number of first time home buyers.

Consistent with these trends, CMHC's point forecast is for 463,600 MLS® sales in 2014, an increase of 1.4 per cent relative to 2013. In 2015, MLS® sales are forecast to rise further to 474,300 units. MLS® sales are expected to be between 450,800 and 482,700 units in 2014 and between 455,800 and 502,900 units in 2015, reflecting potential risks to the outlook.

Balanced[6] national market conditions to prevail over the forecast horizon

At the national level, Canada's housing market will be supported by improving economic conditions translating to higher employment and income growth. Overall market conditions remain balanced and house prices are generally in line with underlying demographic and economic factors. While there are some indicators which suggest some modest overvaluation, this is not a concern given the strong underlying factors that support the housing market. The outlook for the Canadian housing sector is moderation, with a soft landing expected.

The average MLS® price for Canada is expected to be between $394,700 and $405,700 this year and between $396,500 and $416,900 in 2015. CMHC's point forecast for the average MLS® price calls for a 4.5 per cent gain in 2014 to $399,800 and a 1.8 per cent gain in 2015 to $406,800. The decrease in growth of the average MLS® price next year is due to a reduction in more expensive resales and an increase in moderately priced resale units.

Provincial summary

In 2014, Alberta is foreast to see the greatest growth in housing starts, supported by stronger economic and employment prospects relative to the rest of the country. Quebec and British Columbia are also forecast to see housing starts increase, albeit modestly. In contrast, starts in Saskatchewan and Manitoba are expected to decline due to expected supply adjustments, while housing starts in Ontario are expected to continue to slow down because of the slowing of apartment construction expected through remainder of 2014 and modest employment and income growth.

In 2015, housing starts are expected to increase modestly in Quebec, British Columbia and Manitoba based on improving economic conditions. In contrast, Alberta is expected to see a reduction in starts activity due to supply adjustments and expected declines in net migration.

In 2014, all provinces east of Manitoba are expected to see lower MLS® sales. However, strong growth in existing home sales in British Columbia and

[5] Demographic forecasts are based on Statistics Canada's medium-growth population projection as of July 2014 (Table 052-0005).

[6] Taking the Canadian MLS® market as a whole, a sales-to-new listings ratio below 40 per cent has historically accompanied prices that are rising at a rate that is less than inflation, a situation known as a buyer's market. A sales-to-new listings ratio above 55 per cent is associated with a seller's market. In a seller's market, home prices generally rise more rapidly than overall inflation. When the sales-to-new listings ratio is between these thresholds, the market is said to be balanced.

Alberta is expected to push the national average number of MLS® transactions marginally higher. In 2014, Ontario and Alberta are expected to see the strongest growth in average MLS® home prices.

In 2015, Newfoundland and Labrador, Prince Edward Island and New Brunswick will see existing home sales trend down, whereas all other provinces are expected to post increases. Ontario and Quebec are expected to see the greatest growth in existing home sales. Average MLS® home prices are forecast to see the strongest price growth in Manitoba and Alberta (see pages 7 to 16 for the detailed provincial outlooks).

Trends Impacting Housing[7]

Gradual growth in Gross Domestic Product

Over the forecast horizon, global economic growth is expected to increase. Canadian exports and investments, both resource and non-resource based, are expected to benefit from the improved outlook and in particular from the anticipated U.S. recovery by 2015. This is reflected in the consensus economic forecast, where Gross Domestic Product (GDP) in Canada is forecast to grow at a gradually faster rate in 2014 (2.3 per cent) relative to 2013 (2.0 per cent), before rising further to 2.5 per cent in 2015. A more broadly based Canadian recovery is also expected to support demand in the housing market.

Improving trends in employment

Consensus economic forecasts predict that the overall Canadian unemployment rate will continue to decline, falling to 6.9 per cent in 2014 and further to 6.7 per cent in 2015 compared to 7.1 per cent in 2013. In addition, hourly earnings are also forecast to grow modestly faster than consumer prices, with earnings expected to grow by 2.1 per cent in 2014 and 2.3 per cent in 2015. These trends will help to support housing demand.

Demographic trends are expected to impact the composition of housing demand over the longer-term

Over the longer-term, there are a number of factors supporting the upward in the share of multi-unit dwellings as a proportion of overall starts activity.

- Continued price progression is expected to shift demand towards lower-priced alternatives, including multi-unit dwellings.
- Household formation trends are changing, with Statistics Canada censuses indicating declining prevalence of couples with children and increasing prevalence of one person households and households without children[8]. Baby boomers are also beginning to transition to retirement. These two factors are expected to lend increasing support towards smaller, lower priced housing options like multi-unit dwellings over the medium to long-term.

Mortgage rates are expected to remain unchanged until the latter months of 2015

Consistent with the view of Canadian economic forecasters, CMHC expects interest rates to remain unchanged until the latter half of 2015 and then begin to increase gradually. Gradual increases in mortgage rates from historic lows are not expected to significantly impact housing demand.

According to CMHC's base case scenario for 2014, the average for the one-year posted mortgage rate is forecast to be between 3.0 per cent and 3.25 per cent, while the average for the five-year posted mortgage rate is anticipated to be between 5.0 per cent and 5.5 per cent. For 2015, the average for the one-year posted mortgage rate is expected to rise and be in the 3.20 per cent to 4.0 per cent range, while the average for the five-year posted mortgage rate is forecast to be within the 5.25 per cent to 6.0 per cent range.

Risks to the Outlook

While the consensus forecast is for a soft-landing for the Canadian housing sector, there are risks to the Canadian housing sector outlook. First, there is some evidence of a short-term buildup of supply in select housing markets, particularly in the multi-unit segment. Second, household debt-levels, while appearing to have stabilized, continue to be high relative to historical standards.

Given that Canada is an open economy, there are a number of global market risks to consider as well that could put added pressure on housing market supply imbalances and the ability of households to service

[7] CMHC uses publicly available information and the consensus among major Canadian forecasters regarding economic assumptions.

[8] See the 2013 edition of CMHCs Canadian Household Observer, Chapter 1, Page 8 for more detail.

their debt, through their impact on household incomes, employment and lending rates, were they to occur.

- There is a risk of a slowdown in China coupled with uncertainty regarding the stability of the Chinese banking system.
- Uncertainty remains in emerging markets between the possible interaction of financial vulnerabilities in some economies and prospective monetary policy normalization in the United States. Normalization is the unwinding of the measures put in place to combat the previous U.S. real estate crisis and recession.
- In the Euro area, there are deflationary concerns due to prolonged low inflation and the fragile economic recovery. In addition, the situation in the Ukraine and Russia could exert further drag on the Euro-area recovery.
- There is uncertainty in regards to the strength of the post-recession recovery in the U.S. In its July 2014 Monetary Policy Report (MPR), the Bank of Canada (BOC) downgraded United States GDP growth forecasts to 1.6 per cent for 2014, compared to 2.8 per cent in its April MPR. A less optimistic economic growth forecast could weaken Canadian economic performance, particularly exports. To date, growth in Canadian non-energy exports has proven to be elusive. The precise timing of the realignment in growth is highly uncertain and could take longer than currently anticipated.
- Recent upward movements in Canadian consumer prices could lead to pressure to raise lending rates earlier than currently anticipated and would likely translate to rising mortgage rates. However, in its July 2014 MPR, the BOC indicated that it expects recent upward price movements to only be temporary, as the Canadian economy has yet to reach full capacity. In any case, the BOC noted in its June 2014 Financial System Review that a significant housing market correction would require a market event leading to declining household incomes and rising unemployment. Gradual increases in mortgage rates, in and of themselves, are not expected to have a significant impact on housing demand.

TRENDS AT A GLANCE

Key factors and their effects on the housing sector

Mortgage rates	Mortgage rates will remain low by historical standards and supportive of housing demand.
Employment	Based on the consensus among prominent Canadian forecasters, CMHC expects that employment will grow by 0.9 per cent in 2014 and 1.6 per cent in 2015.
Income	Income is expected to increase modestly as economic conditions in Canada improve. As a result, income growth will remain supportive of housing demand over the forecast horizon.
Net migration	Canada's economy is expected to continue to attract a high level of immigrants. As a result, the level of net migration will remain above its historical average and help support Canada's housing sector.
Demographics[9]	By the end of the forecast horizon, all regions but Quebec will see the growth rate of their population aged 25 to 34 decline, according to Statistics Canada's projections. By the end of the current decade, the growth rate of population aged 25 to 34 will be negative or very close to zero in most regions. This, along with general population aging, will impact the type and tenure of housing demand.
Resale market	Overall market conditions remain balanced and house prices are generally in line with underlying demographic and economic factors. As a result, the average MLS® price is expected to increase by 4.5 per cent in 2014 and 1.8 per cent in 2015.
Stock of completed and unabsorbed units	The stock of completed and unabsorbed housing units to population is above the historical average, but has been declining since May 2013.

[9] Demographic forecasts are based on Statistics Canada's medium-growth population projection.

British Columbia

Overview

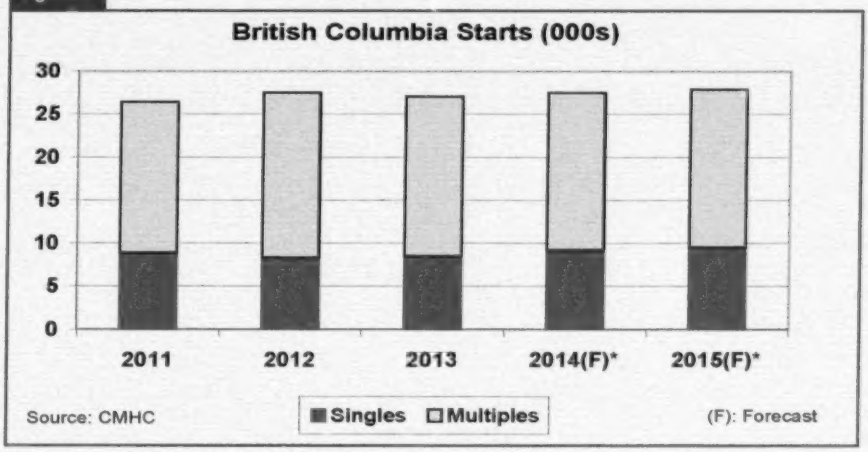
Business investment, as well as increased exports driven by stronger demand from the U.S. for British Columbia commodities by 2015, will bolster the provincial economy. The British Columbia economy is forecast to grow 2.3 per cent in 2014 and 2.8 per cent in 2015, compared to an estimated 1.8 per cent increase in 2013. Accompanying employment gains and ongoing population growth will support consumer demand for goods and services.

Employment growth is forecast to generate demand for housing this year and next. Employment increased modestly during the first half of 2014, however a notable shift from self-employed to paid private employment is a sign of a strengthening labour market. First half employment gains were concentrated in the Vancouver Census Metropolitan Area (CMA), providing fundamental support to the province's largest housing market. Total employment is expected to grow 0.8 per cent in 2014 and 1.8 per cent in 2015.

Population growth will contribute to increased home sales, house price growth and lower rental vacancy rates. British Columbia's population grew 1.2 per cent on an annual basis in the first quarter of 2014 due to a larger-than-forecast increase in net migration. Employment opportunities, reflected by a relatively low unemployment rate, are anticipated to draw people from other countries and provinces, with total net migration forecast at 42,400 people in 2014 and 41,600 people in 2015.

While housing demand will be supported by an improvement in the fundamentals, total housing starts will remain relatively stable due to a well-supplied resale market and inventory of newly completed and unabsorbed units. Housing starts are forecast to reach 27,500 units in 2014 and 27,900 units in 2015.

Figure 2



*The point forecast for provincial total housing starts is 27,500 for 2014 and 27,900 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 26,700-28,300 units for 2014 and 24,900-30,900 for 2015.

In Detail

Single Starts: Single-detached home starts are forecast to increase to 9,200 units in 2014 and 9,500 units in 2015. Based on historical data, single-detached homes tend to be the most prevalent housing type in most areas outside of Vancouver and Victoria. As the economy and employment improve, expect a modest shift to single-detached home starts.

Multiple Starts: Multi-unit housing starts are projected to total 18,300 units in 2014 and 18,400 units in 2015. Starts of apartment condominiums, townhomes and semi-detached homes are forecast to edge lower, as the combination of multi-unit homes under construction, the existing inventory of completed and unabsorbed units and a well-supplied resale market are expected to satisfy some of the demand for this type of housing.

Resales: Resale markets are expected to remain balanced. Existing home sales, as measured by MLS® transactions, are projected to increase to 78,200 resales in 2014 and 78,700 in 2015.

Prices: The MLS® average price is forecast at $553,300 in 2014. The MLS® average price was lower in British Columbia and Vancouver in the second quarter of 2014 compared to the first quarter, and further moderation in price is anticipated in the third quarter as sales shift to less expensive home types. The MLS® average price is forecast at $556,500 in 2015.

Alberta

Overview

Economic growth in Alberta is expected to lead all provinces in Canada over the next two years. GDP is forecast to increase by 3.8 per cent in 2014 and 3.0 per cent in 2015. Higher oil and natural gas prices this year will help increase the value of energy exports and encourage investment in the energy sector. Consumer spending is also projected to rise, supported by strong population growth and rising wages.

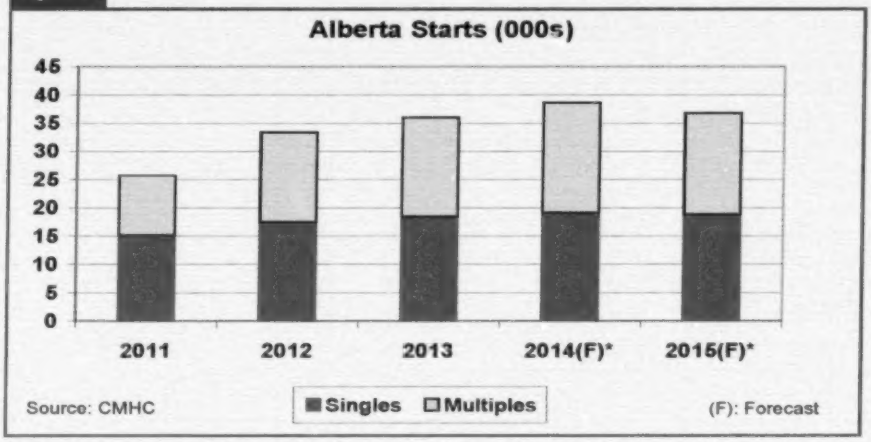
Labour market conditions in Alberta are projected to remain favourable as the economy generates employment growth of 2.8 per cent in 2014 and 2.2 per cent in 2015. Alberta's attraction of new migrants will help expand the labour force and keep the unemployment rate close to its current levels. The unemployment rate in Alberta is projected to average 4.6 per cent in 2014 and 4.5 per cent in 2015.

After two consecutive years of record net migration, inflows of migrants to Alberta are projected to moderate as economic growth in other jurisdictions improve relative to Alberta. Net migration to Alberta will decline from the record of 102,465 people in 2013 to 79,000 in 2014 and to 64,000 in 2015.

In Detail

Single Starts: Single-detached starts are forecast to increase from 18,431 units in 2013 to 19,100 in 2014 and then moderate to 18,800 units in 2015. With active listings in the resale market below that of last year, some home buyers will look to the new home market to meet their needs,

Figure 3



*The point forecast for provincial total housing starts is 38,600 for 2014 and 36,800 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 37,500-39,700 units for 2014 and 32,700-40,900 for 2015.

helping to lift starts this year. By 2015, the declining level of migration, combined with more listings in the resale market and rising new home inventory, are expected to moderate new production. Listings are expected to rise because housing prices in some markets have surpassed prices that last peaked in 2007/2008, thus providing an opportunity for homeowners to move up.

Multiple Starts: Multi-unit starts are projected to rise from 17,580 units in 2013 to 19,500 in 2014 and then ease to 18,000 units in 2015. The lift in multi-unit construction this year is primarily due to increased production in Calgary, where multi-unit starts are projected to attain a 33-year high. The multi-unit inventory has been trending lower over the past two years encouraging new production.

Resales: MLS® sales are projected to increase to 69,900 in 2014 and to 71,900 in 2015. A large inflow of migrants over the past few years has generated momentum for housing demand. This will help lift sales over the forecast period, as will employment growth and income gains. While MLS® sales are projected to increase in 2015, growth will become more subdued as migration continues to ease.

Prices: The average MLS® sales price is projected to increase to $396,800 in 2014 and then to $407,000 in 2015. A higher level of demand relative to supply will help lift resale prices in 2014. As 2014 progresses, new listings are expected to increase and continue rising into 2015.

Saskatchewan

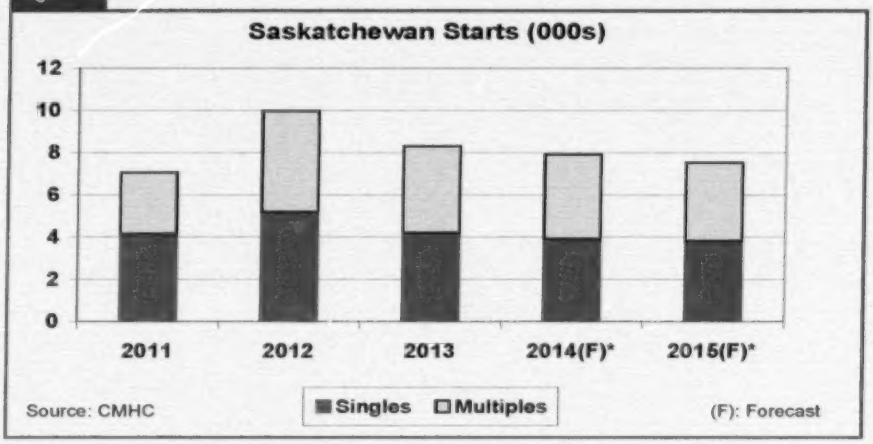
Overview

Saskatchewan's economy is forecast to grow by 2.3 per cent in 2014 and 2.5 per cent in 2015. Saskatchewan is benefiting from population growth of nearly 2.0 per cent, ranking only behind Alberta among all Canadian provinces. This, combined with continued wage gains, is helping to increase consumer spending. Offsetting some of this growth is a lower level of investment spending and international exports, despite gains in exports of energy products.

Saskatchewan's economy is expected to generate employment gains and keep the unemployment rate low in the province. Employment growth is forecast to be 1.8 per cent in 2014 and 1.7 per cent in 2015. The unemployment rate is forecast to be 4.2 per cent this year and 4.4 per cent in 2015, which is low compared to the national average.

Economic opportunity and tight labour market conditions in Saskatchewan will continue to be a draw for migrants. Saskatchewan's population is forecast to increase by an additional 13,800 people from net migration in 2014 and 11,300 in 2015. While net migration to the province is expected to continue to moderate from the record of 15,974 in 2012, it will remain an important driver of economic growth and housing demand in Saskatchewan.

Figure 4



*The point forecast for provincial total housing starts is 7,900 for 2014 and 7,500 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 7,700-8,100 units for 2014 and 6,700-8,300 for 2015.

In Detail

Single Starts: Saskatchewan's single-detached starts are forecast to decline to 3,900 units in 2014, due to elevated inventory and a moderation in net migration to the province. Barring a significant draw down on inventory, a further moderation to 3,800 units is projected for 2015 as net migration slows further and the new home sales compete with a well-supplied resale market.

Multiple Starts: Multi-unit starts are expected to moderate to 4,000 units in 2014 as builders focus on reducing existing inventory, which is elevated and rising. A further reduction to 3,700 units is projected for 2015 due to elevated supply and competition from Saskatchewan's resale market.

Resales: Supported by continued employment growth and population gains, provincial MLS® sales are forecast to reach 13,700 units in 2014, slightly higher than the level achieved last year. 2015 will see a minimal change from 2014. Listings over the forecast period will continue to offer a wide selection to prospective home buyers.

Prices: The average MLS® price in Saskatchewan is projected to rise to $295,600 in 2014 and $303,000 in 2015. While market conditions are expected to remain balanced over the forecast period, Saskatchewan is experiencing rising supply relative to demand, which has contributed to a moderation in price growth since 2012.

Manitoba

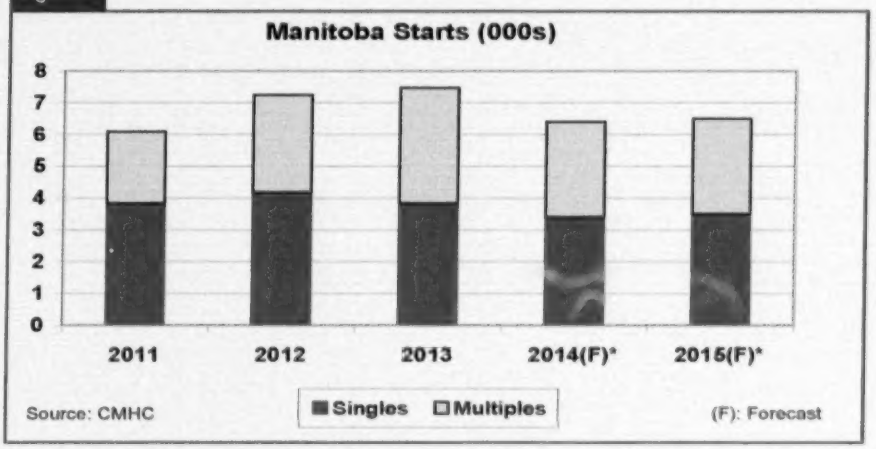
Overview

Economic growth in Manitoba is projected to remain near the national average with GDP projected to rise by 2.1 per cent in 2014 and 2.4 per cent in 2015. Steady population growth and rising wages will help increase consumer spending. International exports are also expected to rise with an expanding U.S. economy by 2015. On the other hand, flooding in Manitoba has temporarily disrupted some economic activity. In addition, moderating investment intentions this year will hold back some economic growth.

While the economy is expanding in 2014, employment growth is projected to be less than one per cent and will be below the national average. Flooding in Manitoba has impacted some economic activity and employment while provincial government lay-offs have also been a factor. Full-time and part-time employment is expected to improve next year. With a faster expanding economy in 2015, economic activity will generate employment growth of 1.2 per cent. While employment growth will trail the national average over the forecast period, the unemployment rate will remain lower. In 2014, the unemployment rate will average 5.5 per cent and edge down to 5.4 per cent in 2015.

Net migration is projected to moderate to 8,400 in 2014 and 8,300 in 2015. International migration will be a key driver of migration gains.

Figure 5



*The point forecast for provincial total housing starts is 6,400 for 2014 and 6,500 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 6,200-6,600 units for 2014 and 5,800-7,200 for 2015.

In Detail

Single Starts: Construction of new single-detached homes in Manitoba is expected to moderate to 3,400 units in 2014 before increasing slightly to 3,500 units in 2015. Higher new home inventories and competition from the resale market will prompt the decrease in 2014. As inventories are drawn down and employment gains strengthen, builders will moderately increase production in 2015.

Multiple Starts: Multi-unit starts will moderate to 3,000 units in 2014 and remain stable at this level in 2015. Builders will respond to increasing inventories and higher rental vacancy rates, resulting in a stabilization of housing starts. Nevertheless, multi-unit starts will remain above the preceding five-year average, supported by population growth among younger households and employment in the 20-34 age group.

Resales: Contrary to the new home market, the MLS® sales market will see a moderate increase over the forecast period with 13,900 transactions in 2014 and a further 14,100 in 2015. Listings in the resale market will offer more selection to prospective home buyers looking for an alternative to the new home market. The expected increase in sales will correspond with moderate increases in population and employment.

Prices: The average residential MLS® price in Manitoba is forecast to increase to $266,200 in 2014 and to $273,800 in 2015. An increasing number of listings will support balanced market conditions and a more modest pace of price growth than in previous years.

Ontario

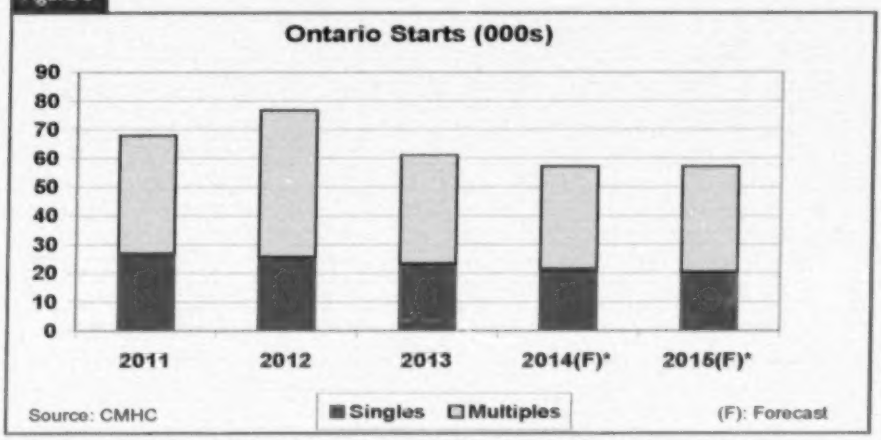
Overview

Moving forward, Ontario economic expansion is set to match the rate of growth in Canada over the 2014-15 forecast horizon. Overall, the province's economy is forecast to grow by 2.2 in 2014 and 2.5 per cent in 2015. Meanwhile, business investment is poised to grow as corporate profits and business sentiment continue to grow. Growth in Ontario business investment hinges largely on the state of the global economy. An improving global economy by 2015, led by growth in the U.S., combined with a low Canadian dollar, will support Ontario's export performance.

An improving economy will boost Ontario employment growth from 0.9 per cent in 2014 to 1.8 per cent by 2015. Ontario economic sectors better positioned to support growing U.S. business and consumer spending, such as information technology, machinery manufacturing, automotive and building material industries, should register stronger employment gains. Ontario's unemployment rate should trend lower and reach 7.0 per cent by 2015.

With respect to demographics, migratory outflows from Ontario will lessen as a rebalancing of economic growth takes hold across the country in the years ahead. In fact, Ontario's net loss of interprovincial migrants was at one of its lowest levels over the past decade during the fourth quarter of 2013. Net migration to Ontario will rise from 82,500 to 93,900 net migrants by 2015. With growth in net international migration expected to double from 5.0 per cent in 2014 to 10.0 per cent in 2015, this will have a positive impact on the demand for housing.

Figure 6



*The point forecast for provincial total housing starts is 57,100 for 2014 and 57,100 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 55,500-58,600 units for 2014 and 50,900-63,300 for 2015.

In Detail

Single Starts: Single-detached starts will slow over the forecast horizon and reach 21,400 and 20,400 units in 2014 and 2015, respectively. A number of factors will weigh on the sector, including lower single-detached affordability should interest rates rise and efforts geared towards more housing densification.

Multiple Starts: After slowing by over 26 per cent in 2013, multi-unit home construction will slow further to 35,700 units in 2014 before stabilizing at 36,700 units in 2015. Rising home prices will shift demand to less expensive multi-unit construction by the second half of 2015. Row housing will benefit from this shift, so will apartment ownership and rental accommodation. Apartment ownership and rental demand will be supported by immigrants and younger households that are more price sensitive, as well as a growing pool of baby boomers nearing retirement.

Resales: MLS® existing home sales will reach 197,900 units this year and 202,500 units in 2015. With gradually rising mortgage carrying costs, the existing home market will gain ground on the new home market as demand rotates to lower priced resale housing.

Prices: Ontario MLS® average home prices will reach $424,500 in 2014 and $433,300 in 2015. A slower pace of average price growth will occur over the forecast horizon thanks to a more balanced housing market and a shift in demand to lower priced resale housing.

Quebec

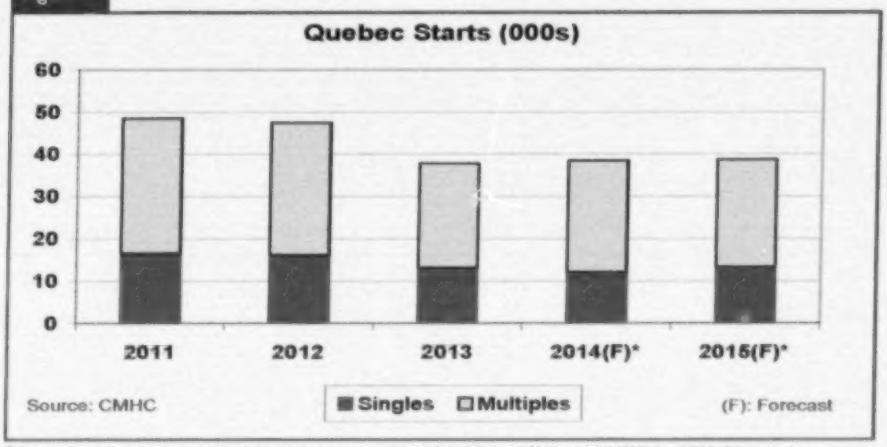
Overview

In Quebec, moderate economic and employment growth will hold back demand for existing and new homes in 2014 and 2015. In addition, relatively high inventories of new and existing dwellings will constrain the number of housing starts. The expected levels of demand and supply will translate into marginal price growth in most resale markets.

In the next two years, economic growth will stem from consumer spending and recovering private investment. Public expenditures will remain limited by balanced budget objectives while net exports gain some momentum as U.S. demand strengthens in 2015. As a result, GDP is forecast to grow 1.7 per cent this year and 2.0 per cent in 2015. As private investment increases gradually, the impact on labour markets will be felt more substantially next year. Employment is expected to grow by 0.3 per cent in 2014 and 1.2 per cent in 2015. The unemployment rate is forecast to be 7.6 per cent this year and at 7.3 per cent in 2015.

On the demographic front, total net interprovincial migration will continue to be hindered by more attractive labour markets in other provinces. However net international migration will remain sustained. Total net migration is expected to attain 38,000 people this year and 44,000 people in 2015. These levels will thus have a positive impact on demand in Quebec's rental markets. During this period, moderating formation of younger households will cool first-time buying, and population aging will continue to prompt some older households to downsize.

Figure 7



*The point forecast for provincial total housing starts is 38,400 for 2014 and 38,700 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 37,300-39,500 units for 2014 and 34,500-42,900 for 2015.

In Detail

Single Starts: Demand for new single-detached homes will be influenced by moderate employment growth, the continued easing of the resale market and the trend toward apartment living. Starts in this category will decline to the 12,000 level in 2014. As the resale market begins to tighten, demand for new single-detached homes will increase, and translate into 13,300 starts next year.

Multiple Starts: After a decline in 2013 to a level that is more in line with the demographic trends, multi-unit housing starts will remain relatively stable this year and next. This market segment will continue to be supported by its relative lower price in comparison to new single-detached homes. Further growth will be held back by relatively high levels of supply of new and resale housing, which will limit the need for additional building. Starts of multi-unit dwellings will be 26,400 units in 2014 and 25,400 in 2015.

Resales: Sales of existing houses recorded by Centris®[10] should decline slightly this year, in line with weaker employment growth. A total of 69,800 transactions are expected this year. In 2015, 73,200 Centris® resales are forecast as a more robust labour market pushes up demand.

Prices: With lower demand and higher supply, prices of resale homes will post marginal growth during the forecast horizon. A gradual return to more balanced market conditions will keep price growth between the one and two per cent mark this year and next. As a result, the average price recorded by Centris® will reach $267,400 this year and $270,200 in 2015.

[10] The Centris® system contains all the listings of Quebec real estate brokers.

New Brunswick

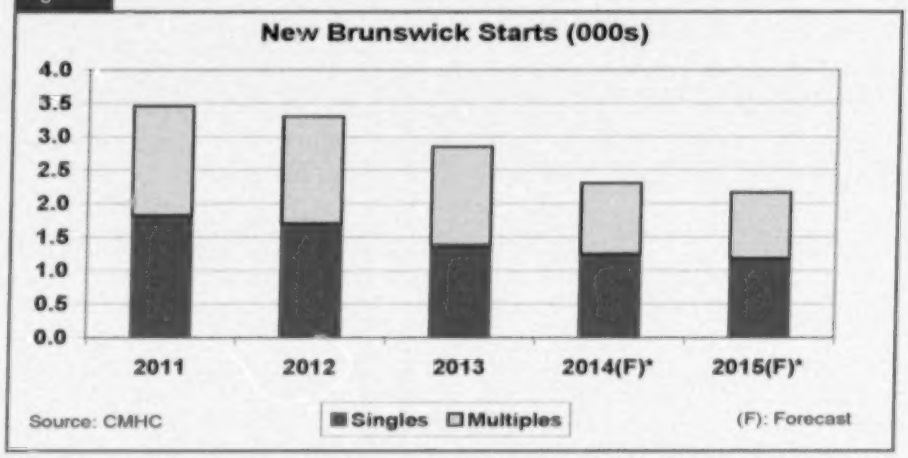
Overview

Economic growth in New Brunswick will remain the lowest among the four Atlantic Provinces over the forecast period. Growth is expected to reach 0.5 per cent in 2014 and 0.8 per cent in 2015. The current challenges for the province stem, in part, from reduced private and public sector investment. The natural resources sector, which is one of the main economic drivers in the province, remains weak as the recovery south of the border is not expected to take hold until 2015. As a result exports have declined so far this year.

Labour market conditions will be impacted by the economic weakness as employment growth is projected to reach just 0.3 per cent in 2014. By 2015, employment growth is expected to rise 0.8 per cent as economic conditions improve. As a result of employment rising faster than the growth in the labour force, the unemployment rate will decline to 10.3 per cent in 2014 and 10.0 per cent in 2015.

The growth prospects for the province also continue to be impacted by a lack of population growth and a negative outlook for net migration. International migration is expected to be 600 people for 2014 and 1,000 for 2015. Negative interprovincial migration of 2,875 people in 2014 and 1,000 in 2015, due to better opportunites in other provinces, will result in net migration remaining negative for 2014 and 0 for 2015.

Figure 8



*The point forecast for provincial total housing starts is 2,300 for 2014 and 2,160 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 2,240-2,360 units for 2014 and 1,920-2,400 for 2015.

In Detail

Single Starts: Rising out-migration from the province's major centres to other parts of Canada as a result of weakening prospects for employment will continue to impact the demand for new homes over the forecast period. As a result single starts are expected to decline over nine per cent to 1,245 units in 2014 and to 1,180 units in 2015.

Multiple Starts: Stronger activity focused on the rental market since the beginning of 2010, particularly in Moncton and Fredericton, has resulted in an increase in supply. However, rental demand is expected to decline over the forecast due to continuing negative net migration. This will exert upward pressure on vacancy rates and result in a pullback in apartment construction over the forecast. Multi-unit starts are expected to decline to 1,055 units in 2014, with a further drop to 980 units in 2015.

Resales: The existing home market will continue to slow in 2014 with a moderate pullback in sales. Although listings have dropped slightly, levels remain elevated. This has resulted in buyers' market conditions. With only a small improvement in employment expected over the forecast period and continuing negative net migration, the demand for existing homes is forecast to drop. MLS® sales should decline to 6,000 units in 2014, with a further decline to 5,800 units in 2015.

Prices: The inventory of available homes is expected to remain at historically high levels in the province's large urban centres in 2014 and 2015 as a result of weaker demand. This will continue to impact price growth. The MLS® average price is expected to remain relatively stable in 2014 at $162,500 with a small decline to $162,000 in 2015.

Nova Scotia

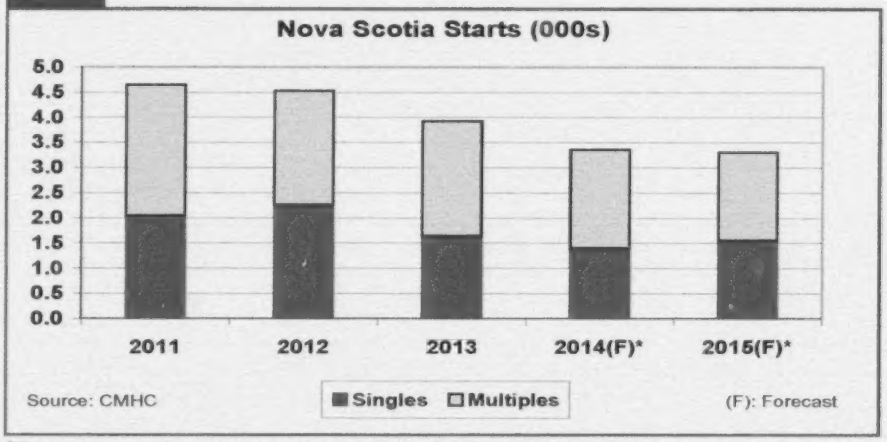
Overview

Nova Scotia is expected to record economic growth of 0.8 per cent in 2014 and 1.5 per cent in 2015. Economic conditions are expected to improve as continued site development and pre-engineering work at the Halifax shipyard this year will be followed by actual shipbuilding activity in 2015. Furthermore, a steady rise in the production of natural gas and the resulting increase in exports could contribute to a stronger economic outlook in 2014 and 2015.

Labour market conditions will remain weak in 2014. Employment is expected to decline by 0.5 per cent in 2014, followed by a small rise of 0.6 per cent in 2015 due to a forecasted increased in private sector investment activity. The unemployment rate is expected to decline to 8.5 per cent in 2014. Looking ahead to 2015, the unemployment rate is expected to experience a small increase to 8.7 per cent.

In 2013, interprovincial migration was negative with 4,025 people leaving the province for other parts of Canada for relatively better opportunities. During 2014 and 2015, interprovincial migration is forecast to be 3,350 in 2014 and 1,200 in 2015, largely due to poor labour market conditions relative to other provinces. International migration, or immigration, added close to 1,200 persons in 2013. For this year, the expectation is for 1,050 immigrants before rebounding to 1,800 in 2015. As a result, total net migration will remain negative in 2014 at 2,300 before turning positive in 2015 with a net gain of 600 people.

Figure 9



*The point forecast for provincial total housing starts is 3,350 for 2014 and 3,300 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 3,260-3,440 units for 2014 and 2,940-3,660 for 2015.

In Detail

Single Starts: In 2014, negative net migration from the province and an aging population base will continue to contribute to reduced demand for new, single-detached units. Expect single starts to decline to 1,400 units this year from 1,639 in 2013. Next year, improving economic and employment prospects will push single-detached starts to 1,550 units.

Multiple Starts: Multi-unit starts in Nova Scotia continued to record levels above the ten-year average last year. In 2014 and 2015, continued strength in the apartment market in Halifax will support overall provincial multi-unit activity. Demand for apartment living will continue to be driven by the evolving needs of the province's aging population base. Expect apartment starts to total 1,350 units in 2014 and 1,150 units in 2015. In the semi-detached and row segments of the market, starts are forecast at 600 units in both 2014 and 2015.

Resales: MLS® sales in Nova Scotia are expected to be 8,700 units in 2014. In 2015, expect moderate economic and employment growth to contribute to increased activity in the resale market, pushing sales up to 9,100 units.

Prices: Last year the average MLS® price declined close to two per cent. This year, expect the average price of an existing home in the province to decline further by 0.5 per cent to $216,000. In 2015, an uptick in demand will push resale prices up to $217,500.

Prince Edward Island

Overview

The economy of Prince Edward Island is forecast to grow by 0.6 per cent in 2014 and 0.9 per cent in 2015. Economic growth will be the result of an improving outlook for aerospace, biosciences and seafood processing industries. This will be offset, somewhat, by weakness in the public sector as well as accommodation and services.

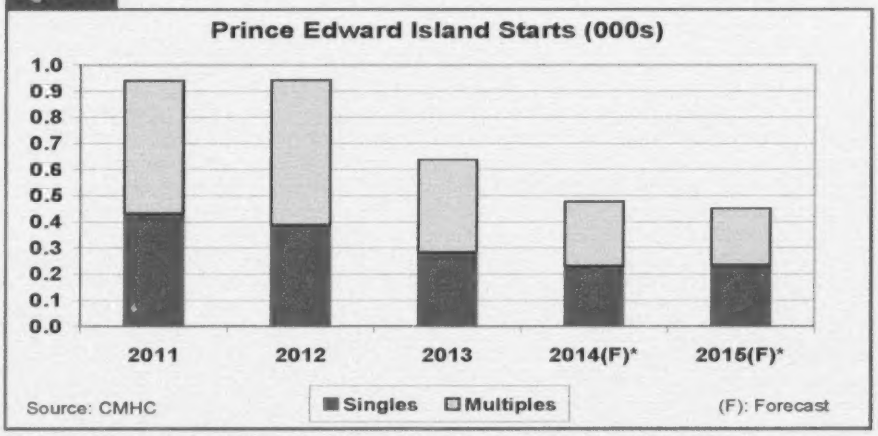
Employment is forecast to remain flat in 2014 with a rise of 0.6 per cent in 2015. Labour force growth is expected to remain below employment growth in both 2014 and 2015, resulting in the unemployment rate declining in both years to 10.9 per cent and 10.8 per cent, respectively.

The economic prospects for the province will continue to be impacted by slowing population growth as international immigration has fallen back to levels last reported in 2007. For 2015 there will be a pick-up in net migration to 500 people as a steady gain in international migration of 900-1,000 per year is offset by a smaller decrease in interprovincial out-migration of 400 in 2015 compared to a loss of 715 in 2014.

In Detail

Single Starts: The demand for new single-detached homes is expected to slightly weaken. Accordingly, single starts will move lower to 230 units while 2015 will see a forecasted 235 units. The majority of starts will continue to be concentrated in and around Charlottetown.

Figure 10



*The point forecast for provincial total housing starts is 475 for 2014 and 450 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 460-490 units for 2014 and 400-500 for 2015.

Multiple Starts: Multi-unit starts activity is forecast to continue declining over the forecast period as the market continues to absorb the recent rise in the inventory of new units. Multi-unit starts will slow to 245 units in 2014, before declining further to 215 units in 2015.

Resales: The continued pullback in net migration from the 2011 peak, due to a more negative outlook for interprovincial migration and a weak employment forecast, will result in slowing sales activity in both 2014 and 2015. MLS® sales are forecast to reach 1,250 units in 2014 and 1,175 units in 2015.

Prices: The slowdown in sales activity resulting from softer demand and an increase in listings over the forecast period will impact house prices. The average MLS® sales price is expected to see moderate growth of 0.6 per cent to $157,000 in 2014 with a small decline to $156,500 in 2015.

Newfoundland and Labrador

Overview

Newfoundland and Labrador will be the Atlantic Canada leader in economic growth in 2014 and 2015 as GDP is expected to grow by 1.2 per cent this year and 1.5 per cent next year. The province's economic future will be supported by projects focused on energy and resource investment over the forecast horizon.

The province's labour market conditions are softening. Employment is expected to decline by 0.2 per cent in 2014 with a rebound to 1.0 per cent growth in 2015, as the province begins the transition to providing new manufacturing capacity within the resource sector. The unemployment rate is forecast to be 10.8 per cent this year and remain stable in 2015, with both employment and labour force growth around 1.0 per cent.

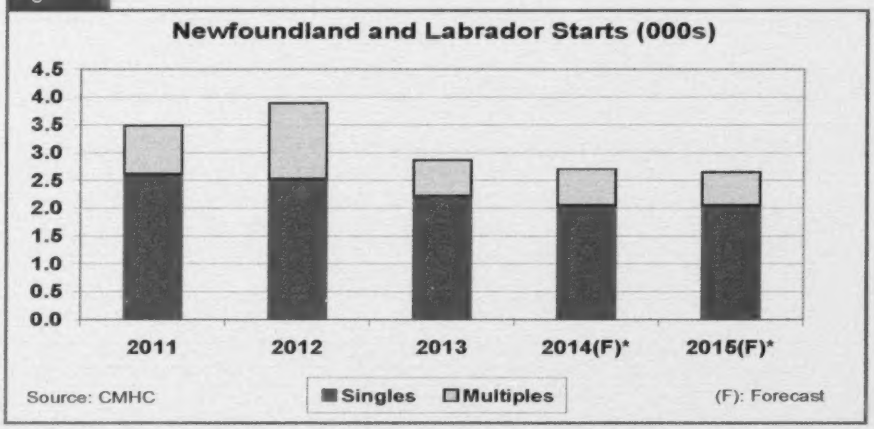
Following two years of declines, net migration is expected to turn positive in 2015, due to an increase in interprovincial migration. Immigration will begin to contribute positively to population growth in 2015 by adding 500 people, after a decline of 200 people in 2014.

In Detail

Single Starts: Demand for housing will remain soft over the forecast period as a result of a reduction in net migration coupled with a weaker employment outlook. This will result in the single-detached housing market declining to 2,050 single starts in 2014 and 2015.

Multiple Starts: Multi-unit construction is expected to rise moderately in 2014 after declining significantly in 2013. The forecast is for a small increase to 650 units in 2014, followed by a decline to 600 units in 2015. Current interest in new multi-unit construction is likely to grow as recent projects have been absorbed quickly.

Figure 11

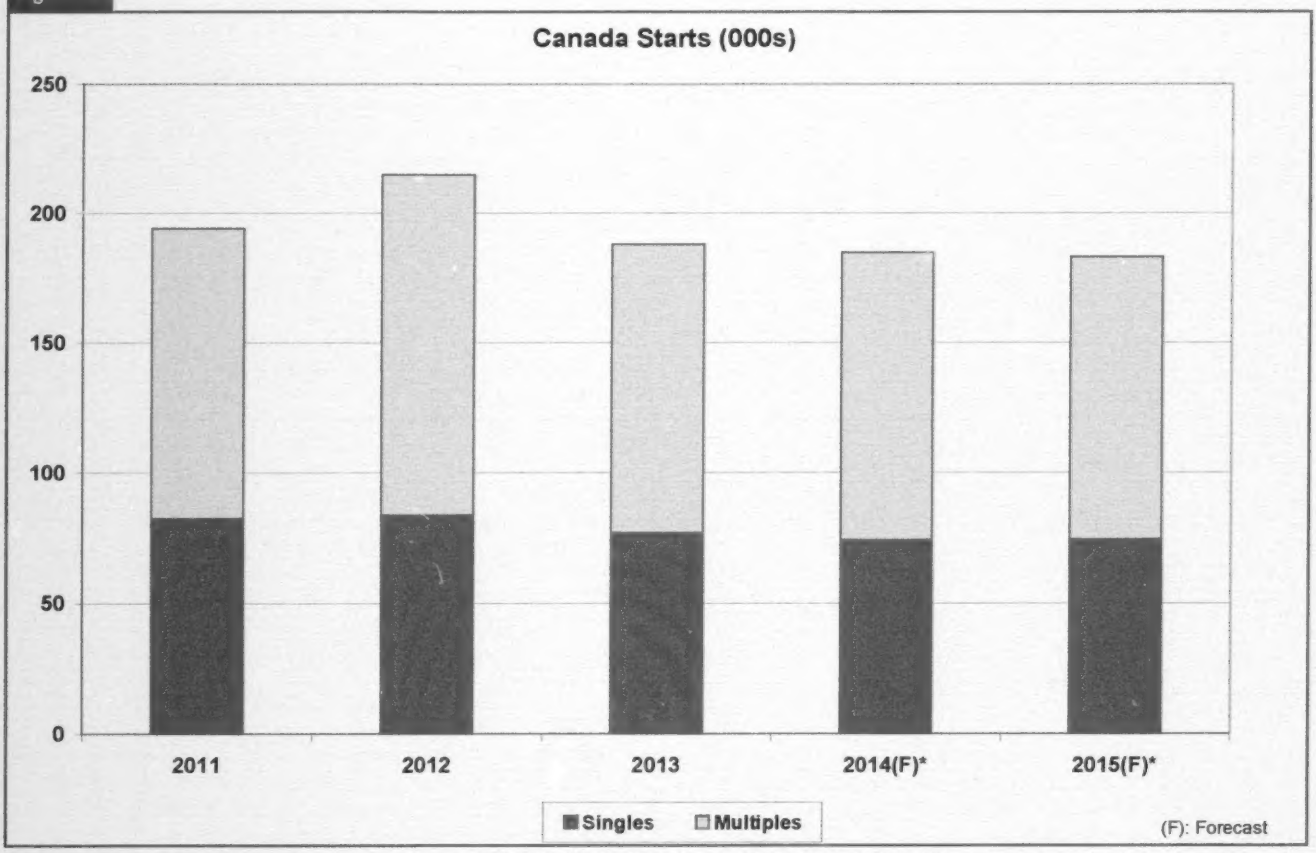


*The point forecast for provincial total housing starts is 2,700 for 2014 and 2,650 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 2,615-2,765 units for 2014 and 2,350-2,950 for 2015.

Resales: Although wage growth remains positive in the province, the expectation is for a small decline in sales because of the weaker employment outlook. MLS® sales will decline over the forecast period to 4,050 in 2014 and 4,000 in 2015.

Prices: Prices are expected to rise close to the rate of inflation, due to a softening of demand and elevated inventory levels. Average MLS® house prices are expected to rise to $290,000 in 2014 and $295,000 in 2015, representing gains of 2.4 per cent and 1.7 per cent. In contrast, 2013 saw growth of 5.3 per cent.

Figure 12



*The point forecast for total housing starts is 184,800 for 2014 and 183,100 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 179,600 to 189,900 units for 2014 and from 163,000 to 203,200 units for 2015.

Table 1: Total Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1	2014Q2	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**3,488**	**3,885**	**2,862**	**2,700**	**2,650**	**2,200**	**2,200**	**2,158**	**3,125**	**3,325**	**2,600**	**2,700**	**2,725**
%	-3.3	11.4	-26.3	-5.7	-1.9	-29.2	-29.2	-1.9	44.8	6.4	-21.8	3.8	0.9
PEI	**940**	**941**	**636**	**475**	**450**	**423**	**423**	**653**	**425**	**400**	**435**	**450**	**460**
%	24.3	0.1	-32.4	-25.3	-5.4	-2.8	-2.8	54.4	-34.9	-5.9	8.7	3.4	2.2
NS	**4,644**	**4,522**	**3,919**	**3,350**	**3,300**	**1,965**	**1,965**	**2,587**	**4,150**	**4,675**	**3,300**	**3,350**	**3,350**
%	7.8	-2.6	-13.3	-14.5	-1.5	-44.3	-44.3	31.7	60.4	12.7	-29.4	1.5	0.0
NB	**3,452**	**3,299**	**2,843**	**2,300**	**2,160**	**2,211**	**2,211**	**1,536**	**2,600**	**2,850**	**2,125**	**2,250**	**2,275**
%	-15.8	-4.4	-13.8	-19.1	-6.1	-29.9	-29.9	-30.5	69.3	9.6	-25.4	5.9	1.1
QUE	**48,387**	**47,367**	**37,758**	**38,400**	**38,700**	**38,887**	**38,887**	**39,607**	**37,100**	**38,250**	**38,650**	**38,650**	**38,800**
%	-5.8	-2.1	-20.3	1.7	0.8	0.3	0.3	1.9	-6.3	3.1	1.0	0.0	0.4
ONT	**67,821**	**76,742**	**61,085**	**57,100**	**57,100**	**53,852**	**53,852**	**63,936**	**57,500**	**53,300**	**54,500**	**56,400**	**57,800**
%	12.2	13.2	-20.4	-6.5	0.0	-14.6	-14.6	18.7	-10.1	-7.3	2.3	3.5	2.5
MAN	**6,083**	**7,242**	**7,465**	**6,400**	**6,500**	**4,028**	**4,028**	**7,088**	**7,290**	**7,200**	**7,000**	**6,400**	**6,300**
%	3.3	19.1	3.1	-14.3	1.6	-45.2	-45.2	76.0	2.8	-1.2	-2.8	-8.6	-1.6
SASK	**7,031**	**9,968**	**8,290**	**7,900**	**7,500**	**7,009**	**7,009**	**9,016**	**7,800**	**7,800**	**7,500**	**7,300**	**7,500**
%	19.0	41.8	-16.8	-4.7	-5.1	-14.0	-14.0	28.6	-13.5	0.0	-3.8	-2.7	2.7
ALTA	**25,704**	**33,396**	**36,011**	**38,600**	**36,800**	**37,867**	**37,867**	**42,612**	**36,100**	**37,600**	**37,100**	**36,600**	**36,500**
%	-5.1	29.9	7.8	7.2	-4.7	-4.4	-4.4	12.5	-15.3	4.2	-1.3	-1.3	-0.3
BC	**26,400**	**27,465**	**27,054**	**27,500**	**27,900**	**27,380**	**27,380**	**27,132**	**27,800**	**27,900**	**27,600**	**27,900**	**28,000**
%	-0.3	4.0	-1.5	1.6	1.5	-6.4	-6.4	-0.9	2.5	0.4	-1.1	1.1	0.4
CAN*	**193,950**	**214,827**	**187,923**	**184,800**	**183,100**	**175,822**	**175,822**	**196,325**	**183,890**	**183,300**	**180,810**	**182,000**	**183,710**
%	2.1	10.8	-12.5	-1.7	-0.9	-10.5	-10.5	11.7	-6.3	-0.3	-1.4	0.7	0.9

SOURCE: CMHC

(F) Forecast by CMHC

* Canadian total excludes territories. The point estimate for the forecast of national total housing starts is 184,800 units for 2014 and 183,100 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from: 179,600-189,900 units for 2014 and 163,000-203,200 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 2: Single-Detached Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1	2014Q2	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**2,612**	**2,523**	**2,225**	**2,050**	**2,050**	**1,538**	**1,645**	**2,400**	**2,625**	**2,000**	**2,100**	**2,100**	**2,000**
%	-11.2	-3.4	-11.8	-7.9	0.0	-31.6	7.0	45.9	9.4	-23.8	5.0	0.0	-4.8
PEI	**431**	**387**	**282**	**230**	**235**	**308**	**295**	**175**	**150**	**200**	**235**	**260**	**245**
%	8.8	-10.2	-27.1	-18.4	2.2	68.3	-4.2	-40.7	-14.3	33.3	17.5	10.6	-5.8
NS	**2,045**	**2,258**	**1,639**	**1,400**	**1,550**	**1,323**	**1,193**	**1,400**	**1,675**	**1,500**	**1,550**	**1,550**	**1,600**
%	-14.5	10.4	-27.4	-14.6	10.7	-21.5	-9.8	17.4	19.6	-10.4	3.3	0.0	3.2
NB	**1,823**	**1,697**	**1,376**	**1,245**	**1,180**	**1,256**	**978**	**1,300**	**1,450**	**1,125**	**1,250**	**1,250**	**1,100**
%	-11.8	-6.9	-18.9	-9.5	-5.2	-16.5	-22.1	32.9	11.5	-22.4	11.1	0.0	-12.0
QUE	**16,554**	**16,059**	**13,144**	**12,000**	**13,300**	**10,808**	**11,242**	**12,600**	**13,500**	**13,400**	**13,400**	**13,300**	**13,200**
%	-15.3	-3.0	-18.2	-8.7	10.8	-14.5	4.0	12.1	7.1	-0.7	0.0	-0.7	-0.8
ONT	**26,884**	**25,567**	**23,270**	**21,400**	**20,400**	**20,223**	**24,130**	**21,500**	**19,800**	**20,500**	**21,400**	**20,300**	**19,600**
%	-4.3	-4.9	-9.0	-8.0	-4.7	-9.8	19.3	-10.9	-7.9	3.5	4.4	-5.1	-3.4
MAN	**3,831**	**4,169**	**3,820**	**3,400**	**3,500**	**3,068**	**3,128**	**3,700**	**3,700**	**3,400**	**3,400**	**3,500**	**3,700**
%	-3.6	8.8	-8.4	-11.0	2.9	-22.2	2.0	18.3	0.0	-8.1	0.0	2.9	5.7
SASK	**4,152**	**5,171**	**4,184**	**3,900**	**3,800**	**3,552**	**4,186**	**3,900**	**4,000**	**3,700**	**3,600**	**3,900**	**4,000**
%	8.4	24.5	-19.1	-6.8	-2.6	-23.6	17.8	-6.8	2.6	-7.5	-2.7	8.3	2.6
ALTA	**15,193**	**17,493**	**18,431**	**19,100**	**18,800**	**19,433**	**18,183**	**19,500**	**19,200**	**18,900**	**18,600**	**18,600**	**19,100**
%	-14.9	15.1	5.4	3.6	-1.6	4.0	-6.4	7.2	-1.5	-1.6	-1.6	0.0	2.7
BC	**8,867**	**8,333**	**8,522**	**9,200**	**9,500**	**8,738**	**9,372**	**9,400**	**9,400**	**9,300**	**9,400**	**9,600**	**9,700**
%	-22.6	-6.0	2.3	8.0	3.3	-6.9	7.3	0.3	0.0	-1.1	1.1	2.1	1.0
CAN*	**82,392**	**83,657**	**76,893**	**74,000**	**74,400**	**70,247**	**74,352**	**75,875**	**75,500**	**74,025**	**74,935**	**74,360**	**74,245**
%	-11.0	1.5	-8.1	-3.8	0.5	-9.2	5.8	2.0	-0.5	-2.0	1.2	-0.8	-0.2

SOURCE: CMHC

(F) Forecast by CMHC

* Canadian total excludes territories. The point estimate for the forecast of national single-detached housing starts is 74,000 units for 2014 and 74,400 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 71,700-76,200 units for 2014 and 65,600-83,200 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 3: Multiple Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1	2014Q2	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**876**	**1,362**	**637**	**650**	**600**	**662**	**513**	**725**	**700**	**600**	**600**	**625**	**575**
%	31.7	55.5	-53.2	2.0	-7.7	-23.0	-22.5	41.3	-3.4	-14.3	0.0	4.2	-8.0
PEI	**509**	**554**	**354**	**245**	**215**	**115**	**358**	**250**	**250**	**235**	**215**	**200**	**200**
%	41.4	8.8	-36.1	-30.7	-12.5	-54.4	211.3	-30.2	0.0	-6.0	-8.5	-7.0	0.0
NS	**2,599**	**2,264**	**2,280**	**1,950**	**1,750**	**642**	**1,394**	**2,750**	**3,000**	**1,800**	**1,800**	**1,800**	**1,600**
%	35.6	-12.9	0.7	-14.5	-10.2	-65.1	117.1	97.3	9.1	-40.0	0.0	0.0	-11.1
NB	**1,629**	**1,602**	**1,467**	**1,055**	**980**	**955**	**558**	**1,300**	**1,400**	**1,000**	**1,000**	**1,025**	**900**
%	-19.9	-1.7	-8.4	-28.1	-7.1	-42.1	-41.6	133.0	7.7	-28.6	0.0	2.5	-12.2
QUE	**31,833**	**31,308**	**24,614**	**26,400**	**25,400**	**28,079**	**28,365**	**24,500**	**24,750**	**25,250**	**25,250**	**25,500**	**25,500**
%	0.1	-1.6	-21.4	7.3	-3.8	7.4	1.0	-13.6	1.0	2.0	0.0	1.0	0.0
ONT	**40,937**	**51,175**	**37,815**	**35,700**	**36,700**	**33,629**	**39,806**	**36,000**	**33,500**	**34,000**	**35,000**	**37,500**	**40,400**
%	26.6	25.0	-26.1	-5.6	2.8	-17.2	18.4	-9.6	-6.9	1.5	2.9	7.1	7.7
MAN	**2,252**	**3,073**	**3,645**	**3,000**	**3,000**	**960**	**3,960**	**3,590**	**3,500**	**3,600**	**3,000**	**2,800**	**2,600**
%	17.8	36.5	18.6	-17.7	0.0	-71.8	312.5	-9.3	-2.5	2.9	-16.7	-6.7	-7.1
SASK	**2,879**	**4,797**	**4,106**	**4,000**	**3,700**	**3,457**	**4,830**	**3,900**	**3,800**	**3,800**	**3,700**	**3,600**	**3,700**
%	38.6	66.6	-14.4	-2.6	-7.5	-1.2	39.7	-19.3	-2.6	0.0	-2.6	-2.7	2.8
ALTA	**10,511**	**15,903**	**17,580**	**19,500**	**18,000**	**18,434**	**24,429**	**16,600**	**18,400**	**18,200**	**18,000**	**17,900**	**17,900**
%	13.8	51.3	10.5	10.9	-7.7	-11.9	32.5	-32.0	10.8	-1.1	-1.1	-0.6	0.0
BC	**17,533**	**19,132**	**18,532**	**18,300**	**18,400**	**18,642**	**17,760**	**18,400**	**18,500**	**18,300**	**18,500**	**18,400**	**18,400**
%	16.8	9.1	-3.1	-1.3	0.5	-6.2	-4.7	3.6	0.5	-1.1	1.1	-0.5	0.0
CAN*	**111,558**	**131,170**	**111,030**	**110,800**	**108,700**	**105,575**	**121,973**	**108,015**	**107,800**	**106,785**	**107,065**	**109,350**	**111,775**
%	14.6	17.6	-15.4	-0.2	-1.9	-11.3	15.5	-11.4	-0.2	-0.9	0.3	2.1	2.2

SOURCE: CMHC

(F) Forecast by CMHC

* Canadian total excludes territories. The point estimate for the forecast of national multiple starts is 110,800 units for 2014 and 108,700 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 107,900-113,700 units for 2014 and 97,400-120,000 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 4: Multiple Housing Starts by Type (Units)

		2011	2012	2013	2014(F)	2015(F)
NFLD	Semi-Detached	87	88	36	25	25
	Row	135	121	96	75	100
	Apartment	654	1,153	505	550	475
	Total	876	1,362	637	650	600
PEI	Semi-Detached	70	94	71	55	50
	Row	47	127	36	40	40
	Apartment	392	333	247	150	125
	Total	509	554	354	245	215
NS	Semi-Detached	418	420	332	340	340
	Row	241	218	259	260	260
	Apartment	1,940	1,626	1,689	1,350	1,150
	Total	2,599	2,264	2,280	1,950	1,750
NB	Semi-Detached	472	426	290	275	230
	Row	211	162	175	130	120
	Apartment	946	1,014	1,002	650	630
	Total	1,629	1,602	1,467	1,055	980
QUE	Semi-Detached	4,002	3,866	2,835	2,750	2,950
	Row	1,855	1,904	1,121	1,150	1,150
	Apartment	25,976	25,538	20,658	22,500	21,300
	Total	31,833	31,308	24,614	26,400	25,400
ONT	Semi-Detached	3,142	3,397	3,116	2,750	2,700
	Row	9,288	10,577	9,427	10,000	10,200
	Apartment	28,507	37,201	25,272	22,950	23,850
	Total	40,937	51,175	37,815	35,700	36,750
MAN	Semi-Detached	243	346	348	272	275
	Row	672	538	773	636	635
	Apartment	1,337	2,189	2,524	2,092	2,090
	Total	2,252	3,073	3,645	3,000	3,000
SASK	Semi-Detached	243	684	446	493	455
	Row	878	813	1,011	1,262	1,168
	Apartment	1,758	3,300	2,649	2,245	2,077
	Total	2,879	4,797	4,106	4,000	3,700
ALTA	Semi-Detached	2,811	3,886	3,997	4,494	4,425
	Row	2,473	3,315	3,992	3,786	3,772
	Apartment	5,227	8,702	9,591	11,220	9,803
	Total	10,511	15,903	17,580	19,500	18,000
BC	Semi-Detached	1,082	1,078	1,073	1,000	950
	Row	3,647	3,201	3,103	3,100	3,200
	Apartment	12,804	14,853	14,356	14,200	14,250
	Total	17,533	19,132	18,532	18,300	18,400
CAN*	Semi-Detached	12,570	14,285	12,544	12,454	12,305
	Row	19,447	20,976	19,993	20,439	20,645
	Apartment	79,541	95,909	78,493	77,907	75,750
	Total	111,558	131,170	111,030	110,800	108,700

Source: CMHC (F) Forecast. * Totals may not add due to rounding.

Table 5: Total Residential Resales
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1	2014Q2	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**4,480**	**4,650**	**4,303**	**4,050**	**4,000**	**3,956**	**4,192**	**4,050**	**4,000**	**4,000**	**4,200**	**4,000**	**3,800**
%	5.8	3.8	-7.5	-5.9	-1.2	-6.9	6.0	-3.4	-1.2	0.0	5.0	-4.8	-5.0
PEI	**1,521**	**1,614**	**1,425**	**1,250**	**1,175**	**1,428**	**1,436**	**1,100**	**1,050**	**1,100**	**1,200**	**1,200**	**1,200**
%	2.3	6.1	-11.7	-12.3	-6.0	19.0	0.6	-23.4	-4.5	4.8	9.1	0.0	0.0
NS	**10,312**	**10,437**	**9,151**	**8,700**	**9,100**	**8,236**	**8,628**	**9,000**	**8,950**	**8,700**	**9,000**	**9,250**	**9,450**
%	2.8	1.2	-12.3	-4.9	1.4	-8.5	4.8	4.3	-0.6	-2.8	3.4	2.8	2.2
NB	**6,599**	**6,403**	**6,282**	**6,000**	**5,800**	**6,120**	**5,612**	**6,100**	**6,150**	**5,600**	**6,000**	**5,800**	**5,800**
%	-1.5	-3.0	-1.9	-4.5	-1.3	-0.6	-8.3	8.7	0.8	-8.9	7.1	-3.3	0.0
QUE	**77,165**	**77,376**	**71,205**	**69,800**	**73,200**	**68,556**	**69,140**	**69,500**	**72,000**	**72,500**	**73,000**	**73,500**	**74,000**
%	-3.6	0.3	-8.0	-2.0	4.9	-2.2	0.9	0.5	3.6	0.7	0.7	0.7	0.7
ONT	**201,761**	**197,620**	**198,675**	**197,900**	**202,500**	**183,404**	**207,248**	**198,000**	**203,000**	**205,000**	**207,000**	**200,500**	**197,500**
%	2.6	-2.1	0.5	-0.4	2.3	-7.5	13.0	-4.5	2.5	1.0	1.0	-3.1	-1.5
MAN	**13,882**	**13,911**	**13,735**	**13,900**	**14,100**	**13,272**	**14,144**	**14,100**	**13,900**	**13,900**	**14,100**	**14,200**	**14,200**
%	5.8	0.2	-1.3	1.2	1.4	-6.6	6.6	-0.3	-1.4	0.0	1.4	0.7	0.0
SASK	**13,131**	**13,867**	**13,535**	**13,700**	**13,800**	**12,916**	**14,528**	**13,800**	**13,500**	**13,600**	**13,900**	**13,900**	**13,800**
%	20.8	5.6	-2.4	1.2	0.7	-5.5	12.5	-5.0	-2.2	0.7	2.2	0.0	-0.7
ALTA	**53,756**	**60,369**	**66,080**	**69,900**	**71,900**	**66,952**	**73,232**	**69,700**	**69,800**	**71,200**	**71,800**	**72,200**	**72,400**
%	8.1	12.3	9.5	5.8	2.9	0.5	9.4	-4.8	0.1	2.0	0.8	0.6	0.3
BC	**76,721**	**67,637**	**72,936**	**78,200**	**78,700**	**75,468**	**83,692**	**76,800**	**77,000**	**78,200**	**79,500**	**78,900**	**78,200**
%	2.8	-11.8	7.8	7.2	0.6	-4.2	10.9	-8.2	0.3	1.6	1.7	-0.8	-0.9
CAN*	**459,328**	**453,884**	**457,327**	**463,600**	**474,300**	**440,776**	**482,344**	**462,250**	**469,225**	**473,800**	**479,700**	**473,450**	**470,350**
%	2.6	-1.2	0.8	1.4	2.3	-4.7	9.4	-4.2	1.5	1.0	1.2	-1.3	-0.7

SOURCE: The Canadian Real Estate Association (CREA) and QFREB by the Centris® system.

(F) Forecast by CMHC.

* Canadian total does not include the territories. The point estimate for the forecast of national residential resales is 463,600 units for 2014 and 474,300 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 450,800-482,700 units for 2014 and 455,800-502,900 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 6: Average Residential Resale Price

($** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1	2014Q2	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	251,581	268,776	283,102	290,000	295,000	293,281	290,386	289,500	287,000	282,000	295,000	305,000	298,156
%	6.9	6.8	5.3	2.4	1.7	4.6	-1.0	-0.3	-0.9	-1.7	4.6	3.4	-2.2
PEI	149,618	152,250	156,107	157,000	156,500	166,115	165,596	150,000	138,000	153,000	157,000	158,000	157,750
%	1.6	1.8	2.5	0.6	-0.3	9.5	-0.3	-9.4	-8.0	10.9	2.6	0.6	-0.2
NS* **	212,512	220,413	217,192	216,000	217,500	210,664	216,000	219,000	217,600	216,000	217,000	218,000	218,900
%	3.1	3.7	-1.5	-0.5	0.7	-1.7	2.5	1.4	-0.6	-0.7	0.5	0.5	0.4
NB	160,545	161,116	162,652	162,500	162,000	161,405	160,010	165,000	163,750	161,500	162,500	162,500	161,500
%	2.1	0.4	1.0	-0.1	-0.3	-1.2	-0.9	3.1	-0.8	-1.4	0.6	0.0	-0.6
QUE	252,147	260,516	262,454	267,400	270,200	269,034	270,877	265,000	265,000	267,000	269,000	271,000	273,000
%	4.4	3.3	0.7	1.9	1.0	-0.1	0.7	-2.2	0.0	0.8	0.7	0.7	0.7
ONT	365,018	384,455	402,547	424,500	433,300	419,709	425,395	424,500	428,000	430,500	432,500	434,500	436,000
%	6.9	5.3	4.7	5.5	2.1	1.5	1.4	-0.2	0.8	0.6	0.5	0.5	0.3
MAN	235,509	247,786	260,849	266,200	273,800	262,635	264,577	269,900	270,900	271,300	273,300	274,800	275,900
%	5.7	5.2	5.3	2.1	2.9	-3.6	0.7	2.0	0.4	0.1	0.7	0.5	0.4
SASK	259,461	275,700	288,698	295,600	303,000	300,643	290,983	295,800	296,600	301,400	302,600	303,600	304,400
%	7.1	6.3	4.7	2.4	2.5	2.9	-3.2	1.7	0.3	1.6	0.4	0.3	0.3
ALTA	353,394	363,208	380,969	396,800	407,000	399,064	394,865	395,000	398,000	403,100	404,500	407,500	413,000
%	0.3	2.8	4.9	4.2	2.6	3.3	-1.1	0.0	0.8	1.3	0.3	0.7	1.3
BC	561,304	514,836	537,414	553,300	556,500	567,215	553,863	545,000	546,000	549,000	553,000	559,000	565,000
%	11.1	-8.3	4.4	3.0	0.6	0.8	-2.4	-1.6	0.2	0.5	0.7	1.1	1.1
CAN*	362,368	363,485	382,605	399,800	406,800	398,813	401,819	398,211	400,195	403,574	405,671	407,788	410,028
%	7.0	0.3	5.3	4.5	1.8	0.9	0.8	-0.9	0.5	0.8	0.5	0.5	0.5

SOURCE: The Canadian Real Estate Association (CREA) and QFREB by the Centris® system.

(F) Forecast by CMHC.

* Canadian average does not include the territories. The point estimate for the forecast of national residential prices is $399,800 for 2014 and $406,800 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from $394,700-$405,700 for 2014 and $396,500-$416,900 for 2015.

** Quarterly averages are seasonally adjusted.

*** Due to technical issues, the second quarter historical data for Nova Scotia is estimated.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 7: Employment
(annual percentage change)

	2009	2010	2011	2012	2013	2014(F)	2015(F)
NFLD	-2.9	3.3	2.7	2.3	1.1	-0.2	1.0
PEI	-1.3	2.9	2.0	1.1	1.9	0.0	0.6
NS	-0.1	0.2	0.1	0.6	-0.3	-0.5	0.6
NB	0.1	-0.9	-1.2	-0.2	-0.1	0.3	0.8
QUE	-0.8	1.7	1.0	0.8	1.2	0.3	1.2
ONT	-2.5	1.7	1.8	0.8	1.4	0.9	1.8
MAN	0.0	1.9	0.8	0.9	0.5	0.5	1.2
SASK	1.3	0.9	0.3	2.1	3.4	1.8	1.7
ALTA	-1.4	-0.4	3.8	2.7	2.8	2.8	2.2
BC	-2.1	1.7	0.8	1.7	-0.2	0.8	1.8
CAN*	-1.6	1.4	3.2	1.2	1.3	0.9	1.6

Source: Statistics Canada, (F) Forecast by CMHC.

National forecast reflects the June 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national employment growth is 0.9 per cent for 2014 and 1.6 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 0.6 per cent to 1.3 per cent for 2014 and 1.3 per cent to 2.2 per cent for 2015.

Table 8: Unemployment Rate
(per cent)

	2009	2010	2011	2012	2013	2014(F)	2015(F)
NFLD	15.5	14.4	12.7	12.5	11.4	10.8	10.9
PEI	12.1	11.2	11.3	11.3	11.3	10.9	10.8
NS	9.2	9.3	8.8	9.0	9.0	8.5	8.7
NB	8.8	9.3	9.5	10.2	10.4	10.3	10.0
QUE	8.5	8.0	7.8	7.8	7.6	7.6	7.3
ONT	9.0	8.7	7.8	7.8	7.5	7.3	7.0
MAN	5.2	5.4	5.4	5.3	5.4	5.5	5.4
SASK	4.8	5.2	5.0	4.7	4.0	4.2	4.4
ALTA	6.6	6.5	5.5	4.6	4.7	4.6	4.5
BC	7.7	7.6	7.5	6.7	6.6	6.2	6.4
CAN*	8.3	8.0	7.4	7.2	7.1	6.9	6.7

Source: Statistics Canada, (F) Forecast by CMHC.

National forecast reflects the June 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national unemployment is 6.9 per cent for 2014 and 6.7 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 6.6 per cent to 7.2 per cent for 2014 and 6.4 per cent to 7.3 per cent for 2015.

Table 9: Gross Domestic Product
(annual percentage change)

	2009	2010	2011	2012	2013(E)	2014(F)	2015(F)
NFLD	-9.9	5.9	2.9	-4.4	5.5	1.2	1.5
PEI	0.4	2.2	1.0	1.5	1.0	0.6	0.9
NS	0.4	3.0	0.6	-0.1	0.4	0.8	1.5
NB	-1.1	2.0	0.3	-1.1	-0.2	0.5	0.8
QUE	-0.6	2.3	1.8	1.5	1.1	1.7	2.0
ONT	-3.1	3.4	2.2	1.3	1.5	2.2	2.5
MAN	-0.2	2.6	1.7	2.6	2.2	2.1	2.4
SASK	-4.8	4.2	5.0	1.9	4.3	2.3	2.5
ALTA	-4.1	4.5	5.2	3.8	3.6	3.8	3.0
BC	-2.5	3.3	2.7	1.5	1.8	2.3	2.8
CAN*	-2.7	3.4	2.5	1.7	2.0	2.3	2.5

Source: Statistics Canada, (F) Forecast by CMHC, (E) Estimate based on partial annual data by CMHC.

National forecast reflects the June 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national GDP growth is 2.3 per cent for 2014 and 2.5 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts which varies from 2.0 per cent to 2.4 per cent for 2014 and 2.2 per cent to 2.9 per cent for 2015.

Table 10: Total Net Migration *
(number of persons)

	2009	2010	2011	2012	2013	2014(F)	2015(F)
NFLD	3,325	840	1,720	1,797	-492	-2,010	700
PEI	1,723	2,541	1,503	228	104	285	500
NS	3,679	3,701	957	-1,530	-2,818	-2,300	600
NB	2,183	2,781	1,303	-1,012	-991	-2,275	0
QUE	51,466	47,528	44,181	45,428	36,472	38,000	44,000
ONT	98,737	114,911	101,993	82,984	76,258	82,500	93,900
MAN	10,746	11,881	11,160	10,278	8,576	8,400	8,300
SASK	10,145	9,395	11,675	15,974	14,476	13,800	11,300
ALTA	32,968	21,677	46,261	86,939	102,465	79,000	64,000
BC	57,333	39,597	32,244	24,513	40,451	42,400	41,600
CAN**	272,305	254,852	252,997	265,599	274,501	257,800	264,900

Source: Statistics Canada, (F) Forecast by CMHC

* Sum of interprovincial migration, international migration and non-permanent residents.

** Excludes territories.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 11a: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
Victoria	2013	1,685	514	-1.3	5,691	480,997	2.8	1,068
	2014(F)	1,525	595	-0.8	5,925	488,800	3.0	1,070
	2015(F)	1,800	590	0.1	5,925	492,100	2.7	1,075
Vancouver*	2013	18,696	4,004	-1.0	28,985	767,765	1.7	1,281
	2014(F)	18,600	4,250	-1.8	31,000	795,500	1.9	1,300
	2015(F)	18,200	4,220	0.8	29,500	805,000	1.8	1,350
Abbotsford-Mission	2013	749	201	n.a.	2,392	338,770	3.2	820
	2014(F)	710	200	n.a.	2,560	345,000	2.9	830
	2015(F)	630	180	n.a.	2,645	350,000	2.8	840
Kelowna	2013	1,013	579	n.a.	4,016	398,175	1.8	970
	2014(F)	1,075	625	n.a.	4,250	405,000	1.8	975
	2015(F)	1,325	700	n.a.	4,500	413,000	1.5	985
Edmonton	2013	14,689	5,970	0.6	19,552	344,977	1.4	1,141
	2014(F)	13,300	6,400	1.0	20,000	360,000	1.6	1,200
	2015(F)	12,900	6,500	2.0	20,400	369,000	1.7	1,240
Calgary	2013	12,584	6,402	5.3	29,954	437,036	1.0	1,224
	2014(F)	15,600	6,600	6.5	32,900	459,000	1.4	1,290
	2015(F)	14,400	6,400	4.5	33,700	472,000	1.6	1,330
Saskatoon	2013	2,980	1,658	1.6	5,543	332,058	2.7	1,041
	2014(F)	3,100	1,600	2.7	5,800	341,300	2.8	1,085
	2015(F)	2,800	1,550	1.9	5,825	348,000	2.9	1,115
Regina	2013	3,122	1,246	2.8	3,692	312,355	1.8	1,018
	2014(F)	2,525	1,050	2.0	3,730	321,500	2.4	1,055
	2015(F)	2,400	1,000	1.8	3,780	328,000	2.5	1,085
Winnipeg	2013	4,705	2,218	5.0	12,088	268,382	2.5	969
	2014(F)	4,500	2,000	3.1	12,250	277,000	2.8	1,010
	2015(F)	4,350	2,050	2.8	12,400	285,000	3.0	1,035
Thunder Bay	2013	324	193	0.9	1,357	210,234	2.6	858
	2014(F)	235	165	1.1	1,340	224,000	2.4	875
	2015(F)	270	180	1.2	1,360	235,000	2.2	890
Greater Sudbury /	2013	431	208	0.9	2,308	245,307	3.4	914
Grand Sudbury	2014(F)	315	175	1.1	2,250	248,500	3.2	920
	2015(F)	320	160	1.2	2,300	251,000	3.0	930
Windsor	2013	708	535	1.0	5,341	179,820	5.9	788
	2014(F)	705	525	1.5	5,100	184,000	5.0	805
	2015(F)	760	550	1.5	5,200	187,000	4.5	820

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

*MLS® sales and prices for the Vancouver CMA refer only to the Real Estate Board of Greater Vancouver (REBGV) board area, which does not include Surrey, Langley, White Rock, and North Delta.

n.a.: Data not available. (F) Forecast by CMHC.

Table 11b: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
London	2013	2,163	1,153	1.7	8,113	246,943	3.3	924
	2014(F)	1,970	1,050	1.9	7,970	249,000	3.2	940
	2015(F)	1,965	1,045	2.0	8,150	253,000	3.0	950
Kitchener-Cambridge-Waterloo	2013	1,840	690	0.7	6,467	324,604	2.9	952
	2014(F)	2,600	625	1.0	6,250	336,000	3.2	970
	2015(F)	2,900	600	1.2	6,400	341,500	3.0	990
St. Catharines-Niagara*	2013	1,223	717	3.0	5,483	238,449	4.1	872
	2014(F)	1,235	730	3.2	5,525	245,700	3.9	880
	2015(F)	1,250	740	2.2	5,610	250,400	3.5	900
Hamilton	2013	2,709	1,159	1.3	13,471	383,892	3.4	932
	2014(F)	2,430	1,100	1.4	13,400	400,000	3.2	945
	2015(F)	2,570	1,150	1.2	13,500	410,000	2.9	960
Toronto	2013	33,547	9,421	2.5	88,946	524,089	1.6	1,213
	2014(F)	32,100	8,400	2.0	90,000	557,000	1.8	1,220
	2015(F)	31,400	7,600	1.5	90,000	570,000	1.8	1,225
Barrie	2013	891	602	n.a.	4,648	317,883	3.0	1,048
	2014(F)	1,000	650	n.a.	4,700	339,000	2.8	1,065
	2015(F)	1,035	700	n.a.	4,900	350,000	2.6	1,085
Peterborough	2013	354	224	n.a.	2,539	271,162	4.8	915
	2014(F)	275	220	n.a.	2,500	274,000	4.4	925
	2015(F)	300	220	n.a.	2,520	276,000	4.1	935
Brantford	2013	396	261	n.a.	2,230	264,443	2.9	835
	2014(F)	390	270	n.a.	2,100	276,000	2.8	845
	2015(F)	400	275	n.a.	2,150	284,400	2.5	865
Guelph	2013	890	198	n.a.	3,164	343,564	1.9	957
	2014(F)	655	210	n.a.	3,155	356,500	1.7	970
	2015(F)	775	175	n.a.	3,275	363,000	1.7	985
Oshawa**	2013	1,384	887	n.a.	10,019	354,548	2.1	985
	2014(F)	1,520	950	n.a.	9,500	380,000	2.2	995
	2015(F)	1,400	1,000	n.a.	9,950	390,400	2.0	1,010
Kingston	2013	856	325	n.a.	3,165	279,339	2.3	1,054
	2014(F)	610	280	n.a.	2,790	285,100	2.5	1,080
	2015(F)	745	290	n.a.	3,010	291,900	2.8	1,105

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

*MLS® data for St. Catharines-Niagara is aggregated using total numbers of the area's three real estate boards.

**MLS® numbers reflect all of Durham Region.

n.a.: Data not available. (F) Forecast by CMHC.

Table 11c: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
Ottawa*	2013	6,560	1,787	0.4	14,049	358,876	2.9	1,132
	2014(F)	5,400	1,840	0.4	13,775	363,250	3.2	1,140
	2015(F)	5,575	1,750	2.0	13,900	366,500	3.0	1,160
Gatineau*	2013	1,924	475	0.4	3,545	243,330	5.1	744
	2014(F)	2,050	460	0.4	3,200	243,500	6.2	745
	2015(F)	2,200	440	2.0	3,400	245,000	6.4	750
Montreal	2013	15,632	3,039	1.0	36,501	323,986	2.8	730
	2014(F)	16,700	2,700	0.7	36,400	327,000	2.6	740
	2015(F)	15,600	3,100	1.0	38,700	330,500	2.5	750
Trois-Rivières	2013	849	243	N/A	928	158,582	5.1	555
	2014(F)	800	220	N/A	1,025	164,000	5.5	560
	2015(F)	700	200	N/A	1,000	166,500	6.0	565
Sherbrooke	2013	1,496	442	N/A	1,665	229,483	5.3	591
	2014(F)	1,300	390	N/A	1,580	230,000	5.2	600
	2015(F)	1,430	400	N/A	1,500	233,500	5.0	610
Québec	2013	4,680	961	1.1	6,282	267,254	2.3	757
	2014(F)	4,050	900	1.0	6,450	270,000	2.3	770
	2015(F)	3,650	850	1.0	6,650	275,000	2.8	785
Saguenay	2013	919	337	0.0	1,185	192,237	2.8	571
	2014(F)	675	275	N/A	1,100	192,000	3.0	590
	2015(F)	700	300	N/A	1,100	185,000	3.2	610
Saint John	2013	276	140	0.3	1,558	173,042	11.4	691
	2014(F)	280	140	0.5	1,525	172,750	11.5	695
	2015(F)	280	140	0.5	1,475	172,000	11.0	700
Moncton	2013	911	258	0.3	2,194	160,092	9.1	742
	2014(F)	710	250	0.5	2,100	160,000	10.5	750
	2015(F)	620	230	0.5	2,000	159,500	11.5	760
Halifax	2013	2,439	678	2.5	4,986	274,880	3.2	976
	2014(F)	2,250	625	2.5	5,100	276,000	4.3	995
	2015(F)	2,100	650	2.5	5,400	278,000	4.6	1,010
St. John's	2013	1,734	1,243	1.6	3,617	301,333	3.2	864
	2014(F)	1,640	1,100	1.5	3,450	310,000	3.5	900
	2015(F)	1,620	1,025	1.5	3,400	315,000	3.8	925
Charlottetown**	2013	438	160	0.3	494	203,305	7.9	804
	2014(F)	335	145	0.5	475	203,000	9.0	820
	2015(F)	305	150	0.5	450	202,500	8.0	850
ALL 35 LISTED CENTRES	2013	145,797	49,128	2.2	346,168	416,302	2.7	919
	2014(F)	143,165	47,715	1.5	351,175	437,090	2.6	944
	2015(F)	139,675	47,110	1.8	355,975	442,491	2.7	959

Sources: CMHC, Canadian Real Estate Association, QFREB by the Centris® system, Local Real Estate Boards, Statistics Canada.

*Statistics Canada defines Ottawa-Gatineau as a single census metropolitan area (CMA), but are treated as two centres in this publication for the sake of more detailed analysis.

n.a.: Data not available. (F) Forecast by CMHC.

Table 12: Major Housing Indicators (levels and quarter-to-quarter percentage change)

	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
New Housing								
Building permits, units, thousands	221.1	192.4	179.0	228.2	212.6	210.8	193.7	197.9
% change	-0.7	-13.0	-7.0	27.5	-6.8	-0.8	-8.1	2.2
Housing starts, total, thousands	219.4	204.4	174.4	187.9	191.6	196.4	175.8	196.5
% change	-4.5	-6.8	-14.6	7.7	2.0	2.5	-10.5	11.7
Housing starts, singles, thousands	84.1	81.7	77.0	76.2	76.4	77.3	70.3	74.5
% change	-0.5	-2.8	-5.8	-1.0	0.2	1.3	-9.1	6.0
Housing starts, multiples, thousands	135.3	122.6	97.4	111.6	115.2	119.1	105.6	121.9
% change	-6.9	-9.4	-20.5	14.6	3.2	3.3	-11.3	15.5
Housing completions, total,*	50,861	47,683	39,028	49,362	47,812	49,292	38,797	45,014
% change	20.6	-6.2	-18.2	26.5	-3.1	3.1	-21.3	16.0
New Housing Price Index, 2007=100*	108.3	108.8	109.3	109.7	110.2	110.3	110.9	111.4
% change	0.5	0.5	0.4	0.4	0.4	0.2	0.5	0.4
Existing Housing								
MLS® resales, units, thousands	436,528	427,220	435,040	454,828	478,584	462,724	440,776	482,344
% change	-7.1	-2.1	1.8	4.5	5.2	-3.3	-4.7	9.4
MLS® average resale price, $	358,906	360,451	367,360	374,575	389,285	395,360	398,813	401,819
% change	-1.2	0.4	1.9	2.0	3.9	1.6	0.9	0.8
Mortgage Market								
1-year mortgage rate, per cent*	3.1	3.1	3.0	3.0	3.1	3.1	3.1	3.1
5-year mortgage rate, per cent*	5.2	5.2	5.2	5.1	5.3	5.3	5.2	4.8
Residential Investment**								
Total, $2002 millions	112,921	112,608	111,308	112,959	113,058	112,572	110,767	n.a
% change	-0.3	-0.3	-1.2	1.5	0.1	-0.4	-1.6	n.a
New, $2002 millions	53,120	53,196	51,660	51,372	49,936	50,592	49,820	n.a
% change	1.8	0.1	-2.9	-0.6	-2.8	1.3	-1.5	n.a
Alterations, $2002 millions	42,532	42,792	42,784	43,688	43,824	43,488	43,832	n.a
% change	0.6	0.6	0.0	2.1	0.3	-0.8	0.8	n.a
Transfer costs, $2002 millions	17,656	17,076	17,280	18,240	19,472	18,760	17,556	n.a
% change	-7.0	-3.3	1.2	5.6	6.8	-3.7	-6.4	n.a
Deflator, 2002=100*	112.1	113.0	112.7	112.6	113.7	114.4	114.7	n.a
% change	0.2	0.8	-0.2	-0.1	0.9	0.6	0.3	n.a

Sources: CMHC, Statistics Canada, Bank of Canada, Canadian Real Estate Association.
n.a.: Data not available.

* All indicators are seasonally adjusted and annualized except the New Housing Price Index and the Residential Investment Deflator, which are only seasonally adjusted, and housing completions and the 1-year and 5-year mortgage rates, which are not adjusted or annualized.

** Residential Investment includes outlays for new permanent housing, conversion costs, cost of alterations and improvements, supplementary costs, and transfer costs.

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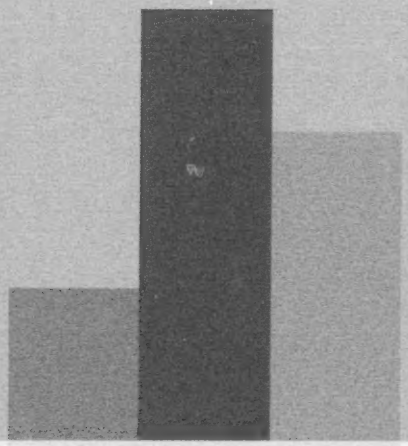

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